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JAN WITOLD BARAN
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October 3, 1996

FACSIMILE
(202) 429-7049

Colleen T. Sealander, Esq.
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 4434 (Outback Steakhouse of Florida,
Inc. and Joseph Kadow)

Dear Ms. Sealander:

This office represents Outback Steakhouse of Florida, Inc. ("Outback") and Joseph Kadow in the above captioned matter. This letter will serve as their response to the complaint filed against them by the Florida Democratic Party.

The charges in the complaint appear to be based exclusively upon a June 30, 1996, article in the *Tampa Tribune*. However, both the *Tampa Tribune* article and the Democratic Party complaint are rife with misleading and unsupported allegations based upon an incomplete knowledge of the facts. The statement of Mr. Kadow (attached hereto), a review of his available (though sometimes incomplete) records, and the reports of the Mark Sharpe for Congress campaign make it clear that the charges in the complaint are groundless.

FACTUAL SUMMARY

Outback is a publicly held corporation that is headquartered in Tampa, Florida, the location of the Congressional seat for which Mr. Sharpe was a candidate. Outback has interests in approximately 350 Outback Steakhouse restaurants across the country.¹ During the events in

¹ Approximately 15% of the Outback Steakhouses across the country are operated by unaffiliated franchisees. In addition, Outback has direct ownership interests in the remaining restaurants. These "company owned" restaurants are organized as partnerships in which Outback is the general partner and has an ownership interest of 81-90%. The remaining 10-19% interest is owned by restaurant general

(continued...)

Colleen T. Sealander, Esq.
October 3, 1996
Page 2

question here, Outback had approximately seventy-five employees at its corporate headquarters, eleven of whom were officers of the company or similarly high-ranking within the organization. See Ex. A, ¶ 3. Having grown rapidly since its formation in 1988, Outback has been a very visible member of the Tampa community. Id. Its officials share a great many common interests and frequently have been involved in community activities. Id.

Among the company officers is Mr. Kadow, who has served as counsel to Outback since its formation, first as outside counsel and, since April 1994, as its Vice President and General Counsel. See Ex. A, ¶ 1. As part of his duties, Mr. Kadow oversees Outback's government relations and supervises the Outback Political Action Committee. Id.

Mr. Kadow met Mark Sharpe, the eventual 1994 Republican nominee from Florida's 11th District, in the Spring of 1994. See Ex. A, ¶ 4. The 11th District covers much of the Tampa metropolitan area, including Mr. Kadow's home. Id. In the following months, Mr. Kadow became more and more personally interested in Mr. Sharpe's campaign and in the possibility that Mr. Sharpe, a former member of the Navy and a Tampa school teacher, might unseat the incumbent from the 11th District, House Ways and Means Committee Chairman Sam Gibbons. Id. Moreover, Mr. Kadow personally disagreed with Cong. Gibbons' strong support for President Clinton's health care plan. Id.

Because of Mr. Kadow's continued interest in the campaign, Mr. Sharpe asked him to serve on the campaign's finance committee in June 1994. See Ex. B. Mr. Kadow's involvement in the campaign increased steadily, and eventually, while working on a volunteer basis, he and another local citizen, John Coley, became Mr. Sharpe's two principal campaign advisors. See Ex. C. Mr. Kadow provided advice to the Sharpe campaign on a wide range of topics, from policy issues to fundraising to campaign strategy. Id. As noted in Mr. Kadow's attached affidavit, he undertook all activities in support of the Sharpe campaign solely in his

¹(...continued)
managers and "joint venture partners," or "JVPs." These JVPs are separate corporations, generally owned by a single individual. The owners of the corporations receive their share of restaurant profits through their JVP corporation. While JVP owners also receive some compensation directly from Outback, most derive the great majority of their income as profits of their JVP corporation. Ex. A, ¶ 2.

Colleen T. Sealander, Esq.
October 3, 1996
Page 3

personal capacity because he felt strongly that Mr. Sharpe was the best choice to represent Florida's 11th District. See Ex. A, ¶ 6.

In addition, Mr. Kadow's activity in support of the Sharpe campaign was undertaken on his own time. Id. While the *Tampa Tribune* article highlights the fact that Mr. Kadow "would arrive at the campaign office late at night," the article fails to note that this was because he and other campaign officials had other responsibilities during the day. Id. Indeed, contrary to the implication of the *Tampa Tribune* article, Mr. Kadow was quite public about his support for the Sharpe campaign. Id.

Mr. Kadow's use of corporate resources in support of his volunteer activity was minimal. He estimates that, over the four months leading up to the election, he may have spent 20-25 hours on campaign-related activity at the office. See Ex. A, ¶ 7. In addition, though his secretary considered herself to be a volunteer for the campaign, Mr. Kadow insisted that she maintain a log of the approximately 23.25 hours that she spent in campaign-related activities over the course of nine weeks leading up to the election. Id. In 1996, Mr. Kadow determined that the cost of her services and of his long distance telephone calls was approximately \$450, and he has reimbursed Outback for these costs. See Ex. A, ¶ 7.

Mr. Kadow undertook certain fundraising activities for the Sharpe campaign in his role as campaign advisor and member of the finance committee. His first substantial effort in this area was a September 17 dinner featuring Cong. Newt Gingrich as the guest of honor. See Ex. A, ¶ 8. The dinner was held at the home of Robert Bashum, Outback's President and Chief Executive Officer, a friend of Mr. Sharpe before the 1994 campaign, and an early supporter of the Sharpe campaign. Id. The Outback Political Action Committee paid most of the costs of the fundraiser, and all of these costs were reported as in-kind contributions to the campaign. Id.

While Mr. Kadow volunteered to organize the fundraiser, a number of individuals -- including other campaign officials and several Outback executives -- contributed their time and effort to the event. The campaign ultimately mailed out invitations to the fundraiser based upon suggestions as to possible invitees from personal contacts of the organizers and lists of past contributors to the state and local Republican Party. See Ex. A, ¶ 9. Many of the personal contacts invited to the event by Mr. Kadow were members of

Colleen T. Sealander, Esq.
October 3, 1996
Page 4

the local food service industry, individuals with whom he had frequent contact and who he knew would be likely to support Mr. Sharpe's position on business issues. Id. While no one maintained a single comprehensive list of attendees, it appears from a review of available records that only 15 of the approximately 100 paying attendees of the event were Outback officers, employees, JVPs, franchisees or major investors. Id. In addition, 11 of the attendees were spouses of these individuals. Id.

Mr. Kadow also oversaw some of the details of Cong. Gingrich's participation in the fundraiser. See Ex. A, ¶ 10. Because the Speaker was at an Air Force Base in Alabama earlier in the day on September 17, Mr. Kadow arranged for Outback's corporate jet to pick up Mr. Gingrich at the base. Id. Though the Democratic Party complaint suggests that the Sharpe campaign may not have complied with FEC regulations concerning the use of corporate aircraft, Outback records and campaign reports filed with the FEC state very clearly that the campaign paid Outback \$331 for the flight on September 14, 1996, three days before the event. See Ex. D. Because Cong. Gingrich arranged for his own transportation after the event, the Sharpe campaign paid only for his flight from Alabama to Tampa. See Ex. A, ¶ 10.

Contrary to the suggestion in the Democratic Party complaint, Outback was reimbursed, in advance, for the only two other occasions on which federal candidates used the Outback corporate jet during the 1994 campaign. The Joe Scarborough for Congress committee reimbursed Outback \$304 on October 6, in connection with an October 8 flight from Tampa to Pensacola, Florida by Congressman Dick Armey, who was traveling from a Sharpe fundraiser in Tampa to a Scarborough fundraiser in Pensacola. See Ex. A, ¶ 11; Ex. E. In addition, the Sharpe campaign reimbursed Outback \$806 on October 28, in connection with an October 30 flight taken on the Outback jet by Mr. Kadow and Mr. Coley from Tampa to Birmingham, Alabama to assist in the production of a campaign television advertisement. See Ex. A, ¶ 11; Ex. F. This figure was based on the cost of regularly scheduled coach airfare between the two cities. The campaign increased the reimbursement by \$568 on November 4 upon learning of the existence of and price for regularly scheduled first class air service between the two cities. See Ex. A, ¶ 11; Ex. G.

In the weeks leading up to the election, Mr. Kadow -- again solely in his personal capacity -- made a number of additional solicitations of individuals who he knew might support Mr. Sharpe. See Ex. A, ¶ 12. Mr. Kadow solicited his acquaintances, including Outback executives, franchisees

and joint venture partners, and others within the food service industry and the Tampa community. Id. Mr. Kadow solicited these individuals because he recognized that many shared or were likely to share his views of Mr. Sharpe, Cong. Gibbons, and the Clinton health plan. Id. While some contribution checks were sent to Mr. Kadow at his home or at his office, those whom Mr. Kadow solicited also sent checks directly to the Sharpe campaign. Id. As with the rest of his campaign activities, any checks sent directly to Mr. Kadow were delivered by him to the campaign after working hours, on Mr. Kadow's own time. Id.

To the extent that he had any involvement in providing the campaign with contributor information, Mr. Kadow was quite careful to ensure that the identity and the place of employment of contributors were reported accurately. See Ex. A, ¶ 13. Sharpe campaign reports indicate that the campaign received a total of \$473,685.91 during the 1994 election cycle. Of this total, the campaign reported \$22,700 in contributions from individuals who listed Outback as their place of employment, plus \$10,000 from the Outback Political Action Committee.² While the campaign also received additional contributions from individuals indirectly associated with Outback, our review of the campaign's FEC reports suggests that the campaign quite properly reported a place of employment other than Outback for the vast majority of those individuals:³

² While the *Tampa Tribune* article asserts that \$94,300 was contributed to the Sharpe campaign by "Outback officials, their spouses and girlfriends and the corporate political action committee," the *Tribune* has refused Mr. Kadow's requests for documentation of this figure. See Ex. A, ¶ 14.

³ The only Outback employee Mr. Kadow has identified who was not accurately listed on these campaign reports is Trudy Cooper, an Outback Vice President who was listed on the reports as a "Homemaker." See Ex. A, ¶ 13. Two contributors, Louis John Chiavacci and Christopher L. Bliss, were inaccurately listed on reports as having an address of 550 North Reo Street in Tampa, Outback's corporate headquarters. Id. However, campaign reports properly listed the actual place of employment for each, Goldman Sachs for Mr. Chiavacci and Alex Brown & Sons for Mr. Bliss.

In addition, a September 17, 1994 contribution by Mr. Kadow's wife was inaccurately reported by the Sharpe
(continued...)

- The campaign received approximately \$11,000 in additional contributions from individuals associated with current and former Outback franchisees, and from investors in these franchisees. However, those franchisees are separate corporations, and officers and employees of the franchisees should list the corporations -- and not Outback -- as their place of employment.
- The campaign received approximately \$10,000 in additional contributions from owners of Outback "joint venture partners," or "JVPs." Because these JVP owners generally receive the majority of their income not directly from Outback, but instead from the JVP, they list the JVP -- and not Outback -- as their place of employment.
- The campaign received approximately \$1,750 in additional contributions from investors in or directors of Outback who are not "employed" by Outback.⁴
- The campaign received approximately \$20,250 in additional contributions from spouses of Outback franchisees, spouses of JVPs, and spouses of investors and directors, who similarly are not employed by Outback.

Mr. Kadow has stated categorically that he never encouraged anyone to make contributions in the name of another, either to hide a connection to Outback or for any other purpose. See Ex. A, ¶ 13.

ANALYSIS

A. Earmarking

The Democratic Party complaint accuses Mr. Kadow of violating contribution limitations and reporting requirements

³(...continued)
campaign as being from Mr. Kadow himself. This contribution, which is attached hereto as Exhibit H, was from a joint checking account but was signed by his wife. Id.

⁴ This includes the contribution from Mel Danker set forth in the *Tampa Tribune* article and repeated in the complaint.

Colleen T. Sealander, Esq.
October 3, 1996
Page 7

based upon the fact that he physically delivered contributions to the Sharpe campaign. The complaint asserts that Mr. Kadow was a "conduit or intermediary" for other contributions, and that those contributions therefore should be attributed to him. For two reasons, this charge is wholly unfounded.

First, FEC regulations specifically exempt from the definition of a "conduit or intermediary" an individual "who is expressly authorized by the candidate's authorized committee to engage in fundraising, and who occupies a significant position within the candidate's campaign organization, provided that the individual is not acting in his or her capacity as a representative of an entity prohibited from making contributions." See 11 CFR § 110.6(b)(2)(i)(E).

There is little doubt but that Mr. Kadow was "expressly authorized . . . to engage in fundraising" and occupied a "significant position" within the campaign. He was an official member of the Finance Committee for the Sharpe campaign and worked on the campaign's single largest fundraiser, the September 17 benefit dinner. He was one of two senior advisors to the campaign and provided significant advice to the campaign on a wide range of issues. While he was not paid to perform these duties, none of the members of the Sharpe campaign were paid for their efforts. In addition, it is just as clear that Mr. Kadow was acting in his personal capacity -- and not in his capacity as an officer of Outback -- in his efforts for the Sharpe campaign. As explained in detail above, he gave of his own time to support the Sharpe campaign because he believed in Mr. Sharpe.

Second, even if Mr. Kadow was a "conduit or intermediary" for the purposes of FEC regulations, contributions made through a conduit are attributed to the conduit only where the conduit "exercises any direction or control over the choice of the recipient candidate." See 11 CFR § 110.6(d). In this case there is absolutely no allegation that Mr. Kadow might fit within this definition. While he solicited individuals to give to the Sharpe campaign, those individuals maintained all control over whether the contribution would be made and to whom it would be made.

B. FEC Reports

The Democratic Party's allegation that the Sharpe campaign and/or Mr. Kadow may have filed incomplete or

Colleen T. Sealander, Esq.
October 3, 1996
Page 8

inaccurate reports with the FEC is similarly groundless. As discussed in detail above, contributors primarily employed by Outback listed Outback as their place of employment, while individuals employed elsewhere honestly represented their place of employment. While the *Tampa Tribune* article implies that spouses and girlfriends of Outback employees, holders of Outback stock not employed by Outback, and officials of other companies that are partners with or franchisees of Outback should report that connection to the FEC, there is neither a requirement nor a mechanism for them to do so.

3. Corporate Involvement

Similarly, none of the complaint's charges concerning campaign use of corporate resources has any merit. Outback and the Sharpe campaign have complied in full with Commission regulations concerning payment for the use of corporate aircraft. See 11 CFR § 114.9(e). As discussed above, the Outback corporate jet was used three times in connection with the 1994 election, and on all three occasions Outback was reimbursed in advance for that use.

In addition, though the issue is not specifically raised by the Democratic Party complaint, both Outback and Mr. Kadow have made every effort to comply with other FEC regulations concerning the use of corporate resources in support of a federal candidate. As discussed above, Mr. Kadow (1) made only "occasional, isolated, or incidental use" of Outback facilities in support of the Sharpe campaign in that his efforts in no way interfered with his duties for Outback; and (2) made a belated but full reimbursement to Outback for the costs of telephone calls made to solicit contributions. See 11 CFR §§ 114.9(a), 114.9(d).

Similarly, his secretary's efforts do not constitute a violation of FEC regulations. Her use of corporate facilities was also in compliance with § 114.9(a) in that her efforts did not interfere with her other duties for Outback. Because she considered herself to be a volunteer for the campaign, she is not covered by the Commission's new regulations on directing support staff to work on behalf of a campaign. See 11 CFR § 114.2(f)(2)(i)(A). But even if those regulations were to apply to her activity, the regulations specifically recognize that corporate executives may employ their secretaries for campaign purposes. In this case, Mr. Kadow insisted that she maintain a careful log of her campaign time and made a belated but full reimbursement to the corporation for the costs of that time.

Colleen T. Sealander, Esq.
October 3, 1996
Page 9

Finally, the Commission's "facilitation" regulations do not apply to Mr. Kadow's receipt of some contributions at the office and subsequent delivery of those contributions to the Sharpe campaign. The Commission's most recent treatment of this issue was in Advisory Opinion No. 1996-1, Fed. Election Camp. Fin. Guide (CCH ¶6183) (1996), in which the Commission was unable to issue advice on the question of whether members of an incorporated membership association, each of whom occupied a significant position within the campaign of a federal candidate, could receive contributions from other members of the organization and forward those checks to individual candidates. However, there are two critical distinctions between Mr. Kadow's activities and those at issue in AO 1996-1. First, Mr. Kadow undertook all of his campaign activity on his own behalf, while those collecting contributions in AO 1996-1 did so as part of a drive -- organized and funded by the membership organization itself -- to solicit contributions for candidates chosen by the organization. Second, all of Mr. Kadow's activities were undertaken on behalf of a candidate within the congressional district that included both Mr. Kadow's home and his business, meaning that he had a distinctly personal connection to the Sharpe campaign. Because Mr. Kadow's activities were personal, simply receiving contributions at the office does not implicate corporate facilitation rules.⁵

CONCLUSION

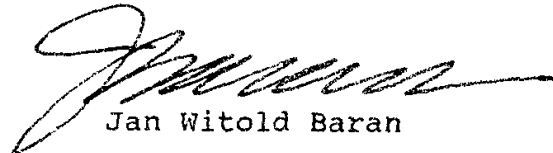
Mr. Kadow gave his support to the 1994 Sharpe campaign because of his view that Mr. Sharpe would be the best representative for Tampa's interests in Congress. Mr. Kadow worked for the campaign on his own time and reimbursed the company for the modest expenses he incurred during work hours. Throughout the campaign, both Outback and Mr. Kadow were extremely careful to ensure compliance with all applicable FEC regulations. To the extent that he had any impact upon campaign financial reports, Mr. Kadow did his best to ensure that the campaign received complete and accurate information. In sum, the allegations of the Democratic Party complaint in this matter -- apparently based wholly upon an article in the *Tampa Tribune* -- are groundless.

⁵ Similarly, Mr. Bashum's hosting of the Sharpe fundraiser was undertaken solely in his personal capacity and therefore does not implicate facilitation rules.

Colleen T. Sealander, Esq.
October 3, 1996
Page 10

For these reasons, we respectfully request that the Commission take no action against Outback Steakhouse or Joseph Kadow.

Sincerely,



Jan Witold Baran

Attachments

AFFIDAVIT OF JOSEPH J. KADOW

STATE OF FLORIDA)
) :SS
COUNTY OF HILLSBOROUGH)

I, Joseph J. Kadow, do hereby certify under oath that:

1. I am a Vice President and the General Counsel for Outback Steakhouse of Florida, Inc. I have served in that capacity since April 1994. Previously, I served as Outback's outside counsel since the company's formation in 1988. My duties in this position include overseeing Outback's government relations and monitoring the Outback Political Action Committee.

2. Outback is a publicly held corporation that has interests in approximately 350 Outback Steakhouse restaurants across the country. Approximately 15% of the Outback Steakhouses across the country are currently operated by independent franchisees. Outback has ownership interests in all of the remaining restaurants. These "company owned" restaurants are organized as partnerships in which Outback is the general partner and has an ownership interest of 81-90%. The remaining 10-19% interest is owned by restaurant general managers and "joint venture partners," or "JVPs." These JVPs are separate corporations, generally owned by a single individual. The owners of the corporations receive their share of restaurant profits through their JVP corporation. While they also receive some compensation directly from Outback, most JVP owners derive the great majority of their income as profits of their JVP corporation.

3. Outback's corporate headquarters are at 550 North Reo Street, Tampa, Florida 33609. In 1994, there were approximately seventy-five individuals employed at the corporate

headquarters, eleven of whom were either corporate officers or of similar rank within the company. Many of these executives share common interests and have been active in community activities. Because of the Outback's recent financial success, it is a very visible member of the Tampa community.

4. I met Mark Sharpe, who would soon become the Republican nominee for Florida's 11th Congressional District, which includes my home and Outback's headquarters, in the spring of 1994. In the coming months, I became more and more interested in Mr. Sharpe's campaign to defeat Sam Gibbons, the incumbent representative from our district and then the Chairman of the House Ways and Means Committee. I was particularly interested in Mr. Sharpe's campaign because of Representative Gibbons' support for the Clinton health care plan, which I strongly opposed.

5. In June 1994, Mr. Sharpe asked me to serve on the Finance Committee for his campaign. Eventually, local businessman John Coley and I became Mr. Sharpe's two principal campaign advisors. We advised Mr. Sharpe on all topics related to his campaign, from policy issues to fundraising to campaign strategy. Exhibit B is a Sharpe for Congress Campaign Plan that reflects my membership on the Committee, and Exhibit C is a letter from Mr. Coley summarizing my role in the campaign.

6. All of my activities on behalf of the Sharpe campaign were undertaken in my personal capacity. I worked for Mr. Sharpe because I believed in his candidacy, not because any Outback officials requested or encouraged me to do so. All of my work for the campaign was undertaken on my own time and on a volunteer basis. Mr. Coley and I provided advice to Mr. Sharpe on a wide range of topics, from policy issues to fundraising to campaign strategy. Because

senior campaign advisors had other full-time jobs, most campaign meetings were held in the evening, after my work day at Outback was complete. During this time, I was always very open about my involvement in the Sharpe campaign.

7. While it is impossible to give a precise summary of the events in question, I believe that over the four months leading up to the 1994 election I may have spent a total of 20-25 hours on campaign related activity at the office. However, these activities never interfered with my ability to complete my own responsibilities at Outback. In fact, as the only inside attorney for the company, it would have been impossible for me not to perform all of my duties. In addition, though my secretary considered herself to be a volunteer for the campaign, I insisted that she maintain a complete and accurate log of the time she devoted to the campaign, which was all during the nine weeks preceding the election. In 1996, I determined that the actual cost of 23.25 hours of my secretary's services and my long distance telephone calls was approximately \$450, and I have reimbursed Outback for these costs.

8. I participated in organizing a September 17, 1996, fundraiser for the Sharpe campaign at the home of Robert Basham, Outback's President and Chief Executive Officer and a friend and early supporter of Mark Sharpe. The Outback Political Action Committee arranged and paid most of the costs of the fundraiser, and all of these costs were reported as in-kind contributions to the campaign.

9. The Sharpe campaign mailed out invitations to the fundraiser. A variety of sources -- including lists of past contributors to the state and local Republican Party and personal contacts of campaign officials and organizers of the fundraiser -- were utilized in drafting an invitation list for the event. Of the personal contacts used in drafting the invitation list, many were members

of the local business community, particularly those in the food service industry. These were individuals with whom I had frequent contact and who I knew would be likely to support Mr. Sharpe's position on business issues. After reviewing various records of the fundraiser and FEC reports documenting contributions to the campaign near the time of the fundraiser, it appears that only 15 of the approximately 100 paying attendees at the event were Outback officials, JVPs, franchisees, and major investors in the company. It also appears that 11 spouses of these individuals attended the event.

10. The featured guest at the September 17 fundraiser was House Speaker Newt Gingrich, and I oversaw his participation at the event. Because the Speaker was at an Air Force Base in Alabama earlier in the day on September 17, I arranged for Outback's corporate jet to pick up Mr. Gingrich at the base and bring him back to Tampa, and campaign officials reimbursed Outback \$331 for this flight on September 14. The Speaker arranged for his own transportation after the event. Exhibit D is a check from the campaign to Outback covering the cost of the flight.

11. Outback was also reimbursed, in advance, for the only two other occasions on which federal candidates used the Outback corporate jet during the 1994 campaign. The Joe Scarborough for Congress committee reimbursed Outback \$304 on October 6, in connection with an October 8 flight from Tampa to Pensacola, Florida for Congressman Dick Armey, who was traveling from a Sharpe fundraiser in Tampa to a Scarborough fundraiser in Pensacola. In addition, the Sharpe campaign reimbursed Outback \$806 on October 28, in connection with an October 30 flight by Mr. Coley and me from Tampa to Birmingham, Alabama, where we assisted in the production of a campaign television advertisement. The campaign increased the

reimbursement by \$568 on November 4 upon learning of the existence of and price for regularly scheduled first class air service between the two cities. Exhibits E, F and G are checks from the respective campaigns to Outback to cover the costs of the flights.

12. In the weeks leading up to the election, I made a number of additional solicitations of individuals who I knew might support Mr. Sharpe. Again, acting solely in my personal capacity, I solicited acquaintances, including Outback executives, franchisees and joint venture partners, and others within the food service business and the rest of the community, because I recognized that many of these individuals shared or were likely to share my views of Mr. Sharpe, Cong. Gibbons, and the Clinton health plan. Some of the contribution checks generated by these solicitations were sent to my home or my office, while others were sent directly to the Sharpe campaign. When checks were sent to me, I delivered them to the campaign after working hours,

13. To the extent that I had any involvement in providing the campaign with contributor information, I was careful to ensure that the identity and the place of employment of contributors were reported accurately. On a number of occasions when campaign treasurer Rick Fontaine was unable to determine the place of employment for contributors in some way connected with Outback, I provided the most accurate information that I could about those contributors. I never encouraged anyone to make contributions to the Sharpe campaign in the name of another, either to hide a connection to Outback or for any other purpose. The only Outback employee I have identified who was not properly listed on these campaign reports is Trudy Cooper, an Outback Vice President who was listed on the reports as a "Homemaker." Two contributors, Louis John Chiavacci and Christopher L. Bliss, were inaccurately listed on reports as having an address of 550 North Reo Street in Tampa, Outback's corporate headquarters, despite the fact that Mr.

Chiavacci works for Goldman Sachs and Mr. Bliss works for Alex Brown & Sons. In addition, a September 17, 1994 contribution of \$500 to the Sharpe campaign from my wife, Teresa Kadow, was inaccurately attributed to me. Exhibit H is a copy of my wife's contribution check.

14. In preparing a response to the FEC complaint filed against Outback and me by the Florida Democratic Party, I have had the opportunity to review FEC reports filed by the Sharpe campaign and other Outback documents. While it is impossible to know with certainty which contributions to the Sharpe campaign were from individuals connected in any way with Outback, I believe that the figures cited in Jan Witold Baran's letter of October 2, 1996 to the FEC on this issue are complete and accurate. While the *Tampa Tribune* has alleged that individuals connected with Outback contributed \$94,300 to the Sharpe campaign, I believe that the figure is significantly lower. Despite my requests, the *Tampa Tribune* has refused to explain how they arrived at the figure cited in their article.



Joseph J. Kadow

Subscribed and sworn to
before me this 3rd day
of October, 1996.



Notary Public

My Commission expires _____



Karen L. Canzoneri
MY COMMISSION # CCS31184 EXPIRES
February 8, 2000
BONDED THRU TROY PAUL INSURANCE, INC.

Sharpe for Congress Campaign Plan 1994

I. Political Analysis

A. 4 way definition

1. Mark on Mark

- a. New idea reformer
- b. Conservative
- c. Grass roots campaign
- d. Youthful energy
- e. courageous

2. Mark on Gibbons

- a. too old
- b. too liberal
- c. been there too long
- d. special interests

3. Sam on Sam

- a. experienced
- b. powerful
- c. symbol of pride
- d. compassionate
- e. tradition
- f. constituents' friend

4. Sam on Mark

- a. too young
- b. no experience
- c. no clout / ability to be effective in DC
- d. no support
- e. nay sayer
- f. radical right

F. P
S. Lorana Jacob

G. Individual Solicitation

1. expanded contacts through major donors.

H. Finance Committee

(linked to major donor solicitations and candidates)

I. Current Members

Jake Beckie
Mike Beckie
Bob Cromwell
JA Cons
Herb Doyle
Charlie Guy
Mrs Lorana Jacob
Joe Kadow
Chris Kiss
Bob Lang
Marc Mandt
Dick Mandt
Sam Mudano
Dr. Rose Rosenelli
Sam Rachid

2. special stationery created

I. Friend Letters

1. Letters written to contact another. (create guidelines).
2. Have someone from each precinct write to their buddies.
3. From major donor or organization.
4. Someone to head up efforts.

J. Socials

1. residual values

JON P. COLEY
4203 MEADOW HILL DRIVE
TAMPA, FLORIDA 33624

October 2, 1996

Mr. Joseph Kadow
Outback Steakhouse
550 North Reo Street
Tampa, FL 33609

Dear Joe:

Since June, I have helped gather information, seen reports prepared by others and read articles in the Tampa Tribune about your involvement in 1994 Sharpe for Congress campaign. It appears that some very basic facts have been left out of the reports by the Tampa Tribune and the complaint filed by the Democrat Party. I am writing this letter in an effort to set the record straight.

As the Campaign Director for the 1994 Sharpe for Congress campaign, I believe I can certainly clarify your role in the campaign. The campaign plan, which I wrote, plainly describes your official role as a member of the campaign finance committee. The mission of that committee was to raise campaign funds as well as offer advice to Mark Sharpe and myself on issues and campaign activities. It's safe to say you were the most active member of that committee.

As I told the Tampa Tribune reporter before the first story was published, you played a vital role in many ways. Because of Mr. Sharpe's lack of business and civic experience the campaign we repeatedly sought your counsel on many issues. In addition, your evening and weekend volunteer efforts helped make our personal voter contact program a success.

Finally, your knowledge of marketing and advertising helped with message development for the television commercials. This is especially true for the final television commercial which you and I wrote and edited in Birmingham.

This brings me to the final clarification. The complaint by the Democrats says our flight to Birmingham was not paid in advance. That is simply not true. I specifically remember working out the details with the campaign treasurer to pay in advance for our trip on Sunday, October 28th. It is also my understanding that campaign records show this to be true.

I am confident that the campaign's response to the complaint will prove this whole situation is simply political propaganda full of half-truths and misleading statements. Please feel free to call me if I can be of any assistance in resolving this matter.

Sincerely,

Jon P. Coley

"B"

CAMPAIGN ACCT MARK S. SHARPE
RICHARD JAMES FONTAINE, TREAS
P.O. BOX 26384
TAMPA, FL 33623

380

63-27/831
70

Sept 14 94

Pay to the order of

Outback Steak House Inc 331.00

Three hundred thirty-one

NationsBank USA

Official Sponsor 1994/1998 U.S. Olympic Team

NationsBank of Florida, N.A.
Sarasota, Florida

gmsch acct. Time & Expense

[Signature]

⑆063100277⑆ 3511940648⑆ 0380

"D"

JOE SCARBOROUGH FOR CONGRESS 01
PO Box 13012 Ph 904-469-9500
Pensacola, Fl 32591

0613

63-1011/632

PAY
TO THE
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Sept 17, 94

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